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Thailand

Grain and Feed

Weekly Rice Price Update

2007

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Report Highlights:

Export prices remained relatively flat, except broken rice prices, despite the Government's plan to release intervention stocks. A surge in broken rice prices has been driven by new enquiries from African countries.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Bangkok [TH1]
[TH]

Indicative Prices (Week Ending Sep. 3):

| Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.) | | | | | | | | | |
|--|-----------------------|-----|----|-----|-----|-----|-----|-------------|------|
| | Exporter Observations | | | | | | | Period Avg. | |
| | #1 | #2 | #3 | #4 | #5 | #6 | #7 | CUR. | PRV. |
| F WR 100 B | 560 | 565 | - | 555 | 580 | 535 | 550 | 558 | 557 |
| WR 100 B | 329 | 335 | - | 334 | 329 | 331 | 332 | 332 | 332 |
| PB 5% | 324 | 343 | - | 333 | 328 | 332 | 325 | 331 | 330 |
| WR 5% | 323 | 330 | - | 329 | 322 | 323 | 327 | 326 | 326 |
| WR 10% | 318 | 325 | - | 323 | 317 | 319 | 322 | 321 | 321 |
| WR 15% | 311 | 320 | - | 317 | 312 | 313 | 317 | 315 | 315 |
| WR 25% | 300 | 300 | - | 314 | 307 | 301 | 312 | 306 | 306 |
| WR 35% | 297 | - | - | - | - | 297 | - | 297 | 296 |
| A 1 SUP | 268 | - | - | 267 | 265 | 268 | 270 | 268 | 265 |
| A 1 SPEC | 265 | - | - | 264 | 262 | - | 267 | 265 | 262 |
| Source: Average actual prices received from exporters, Exchange rate: 34.1 baht/U.S.\$ | | | | | | | | | |

Market Tone

Export prices changed insignificantly, except for broken rice prices, despite the government's plan to release old-crop intervention stocks of around 868,000 tons this week, of which 556,000 tons are a part of the one million tons acquired from a bankrupt exporter. Some quotations of white rice were offered around \$1/MT higher in response to a slight strengthening Thai baht to 34.1 baht/\$. Meanwhile, domestic and export prices of broken rice surged due to reportedly strong new enquiries from African countries as Vietnamese exportable supplies remain tight. In addition, Thai exporters are expected to get a portion of the Philippines' tender to buy 260,000 tons of 25 percent grade white rice on September 7, which will put upward pressure on domestic broken rice prices as broken rice will be mixed with medium-grade white rice to produce 25 percent grade white rice.

On September 3, the Government conducted a tender to recruit private exporters to handle delivery for the Government-to-Government sales of 100% B grade white rice to Iran, amounting to 210,000 tons from the March 7 and June 19 deals, for delivery by this November. This included a re-tender of a pending shipment of a bankrupt exporter who won a portion of the tender (around 20,000 tons) for the Government-to-Government deals with Iran last April.

The following are the reported rice exports (as is basis):

| WEEK ENDING | QUANTITY | 4-WK AVG | YEAR TO DATE | YEAR AGO | YEAR TO DATE AS % OF LAST YEAR |
|----------------|----------|----------|-----------------|----------|---|
| | (MT) | (MT) | (TMT) | (TMT) | % |
| JUL 15 | 110,982 | 100,872 | 2,804 | 2,613 | 7.3 |
| JUL 22 | 97,823 | 98,194 | 2,902 | 2,713 | 7.0 |
| JUL 29 | 93,085 | 98,433 | 2,995 | 2,800 | 7.0 |
| AUG 5 | 84,102 | 96,498 | 3,079 | 2,859 | 7.7 |
| AUG 12 | 100,989 | 94,000 | 3,180 | 2,913 | 9.2 |
| AUG 19 | 91,788 | 92,491 | 3,272 | 2,993 | 9.3 |
| AUG 26 | 96,115 | 93,248 | 3,368 | 3,095 | 8.8 |
| SEP 2 | 90,589 | 94,870 | 3,459 | 3,173 | 9.0 |

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for Aug. 27 – Sep. 2, 2007 totaled 90,589 tons, down 5,526 tons from the previous week's total, and down 4,281 tons from the four-week moving average of 94,870 tons. Export during Jan. 1 – Sep. 2, 2007 totaled 3,458,645 tons, as compared with 3,173,254 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Aug. 29, 2007, amounted to 5,275,505 tons, up 11 percent from 4,755,210 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Aug. 13-17, Aug. 20-24, and Aug. 27-31, 2007 are as follows:

| Movement (MT) | Aug. 13-17 | Aug. 20-24 | Aug. 27-31 |
|--------------------|------------|------------|------------|
| Weekly sales | 82,578 | 53,072 | 108,381 |
| 4 week sum | 307,750 | 285,380 | 340,343 |
| 4 week mov. avg. | 76,938 | 71,345 | 85,086 |
| Total weekly sales | 3,489,511 | 3,542,583 | 3,650,964 |

End of Report.